

State of California
Business, Transportation and Housing Agency
Department of Transportation

PROJECT BUSINESS MATTERS
Extension Request – Contract Award
Action Item

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CTC Meeting: July 11-12, 2001

Agenda Item: 2.8b

Original Signed By
W. J. EVANS
Chief Financial Officer
July 1, 2001

WAIVER REQUEST – CTC RESOLUTION G-00-20
CTC STIP GUIDELINES
SECTION 65 – TIMELY USE OF FUNDS

LOCAL STREETS AND ROADS PROJECTS
WAIVER-01-45

ISSUE

Resolution G-00-20, *STIP Guidelines*, adopted by the California Transportation Commission (Commission) on July 19, 2000, stipulates that funds allocated for the construction phase of local grant projects are available for contract award for a period of 12 months from the date of allocation.

The Commission allocated \$314,000 on March 20, 2000, for Humboldt County's asphalt overlay project on Avalon Drive, Oak Street, and Hospital Road (PPNO 2035R). To date, the County has not awarded the construction contract. The County is requesting an extension of 4 months from the March 20, 2001, deadline per Resolution G-00-20. The regional transportation planning agency concurs. The revised deadline would be July 17, 2001.

BACKGROUND

The County's allocation request, submitted in March 2000, indicated they wanted to allocate immediately. Attached to the allocation request was the "funding allocation checklist." The County indicated on the checklist that the estimated date of allocation was May 2000, with an estimated award date of May 22, 2001. A similar scenario occurred with two other Humboldt County requests in March 2000 (PPNOs 2031R and 2033R). The County believed that the allocation dates would be the dates estimated on the checklists. Caltrans processes allocation requests based on the actual request, not the checklist. When the County received the program supplement agreements for these projects, they reviewed the timely use of funds dates and notified Caltrans that the March allocation date was too early. The County had misinterpreted the purpose of the allocation checklist and subsequently requested that PPNOs 2031R and 2033R be changed to reflect the May allocation date rather than March. New program supplement agreements were sent for these two projects. At the time, the County did not request that PPNO 2035R be changed.

The County signed and returned the original program supplement agreement for the March 20, 2000, allocation of components of PPNO 2035R. The deadlines are included in the agreement. The County advertised and received bids on the project. They were prepared to award the construction contract on May 22, 2001. Prior to award of the construction contract, the County became aware that the deadline to award the contract had passed in March. However, the County maintains that they believed the allocation date would be the allocation date requested on the checklist.

The County is requesting a time extension based on the unforeseen and extraordinary discrepancy between the actual allocation date and the estimated allocation date on the checklist. If the extension is approved, the County is ready to award the contract immediately.

RECOMMENDATION

The Department of Transportation's position on this is neutral. The County has indicated that they misinterpreted the purpose of the funding allocation checklist and would like the opportunity to present their case to the Commission. The Department made every effort to rectify the misinterpretation for those projects the County identified in May 2000.